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ABSTRACT

The employment of over half the women in the United States with children under age 6 creates a need for quality day care that the General Services Administration (GSA) has tried to meet by encouraging the establishment of child care centers in federal buildings. Although free or reduced rent has been available, only ten such centers currently exist. A subcommittee of the Committee on Government Operations investigated this situation, and found that part of the problem lies in the GSA's passive attitude; in particular, that the GSA provides the service but gives little assistance in setting up centers. Other problems stem from negative attitudes of government agencies, such as Chicago's Social Security Administration, toward sponsoring child care facilities. In contrast, other agencies, like many branches of the Internal Revenue Service and the National Oceanic and Atmospheric Administration, readily set up day care centers when they determined the need was great. In light of these findings, the subcommittee recommended that the GSA: (1) actively encourage on-site day care centers by assigning officials to communicate and implement the day care policy; (2) rent more space to outside day care providers; (3) survey Federal workers about their child care needs; and (4) print a handbook to assist in establishing on-site day care. (Two appendixes contain the text of relevant legal statutes.) (SKC)

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Union Calendar No. 206

100th Congress, 1st Session - - - - - - - - - - - House Report 100-333

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CHILD CARE IN FEDERAL BUILDINGS

TWENTY-FIRST REPORT

BY THE

COMMITTEE ON GOVERNMENT OPERATIONS

PS 017068

OCTOBER 2, 1987.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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LETTER OF TRANSMITTAL

HOUSE OF REPRESENTATIVES,
Washington, DC, October 2, 1987.

Hon. JIM WRIGHT,
Speaker of the House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: By direction of the Committee on Government Operations, I submit herewith the committee's twenty-first report to the 100th Congress. The committee's report is based on a study made by its Government Activities and Transportation Subcommittee.

JACK BROOKS, *Chairman.*

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Union Calendar No. 206

100TH CONGRESS *1st Session* | HOUSE OF REPRESENTATIVES | REPORT 100-333

CHILD CARE IN FEDERAL BUILDINGS

OCTOBER 2, 1987.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BROOKS, from the Committee on Government Operations, submitted the following

TWENTY-FIRST REPORT

BASED ON A STUDY BY THE GOVERNMENT ACTIVITIES AND TRANSPORTATION SUBCOMMITTEE

On September 29, 1987, the Committee on Government Operations approved and adopted a report entitled "Child Care in Federal Buildings." The chairman was directed to transmit a copy to the Speaker of the House.

I. INTRODUCTION AND SUMMARY

The American workplace has changed dramatically over the past three decades. In 1950, only 12 percent of mothers with children under 6 years of age were in the labor force. By 1984, 52 percent were employed. Today, the majority of American children—more than 22 million—are growing up in homes where both parents, or the sole parent is employed outside the home.[1]

As one child care expert noted:

> The work force has changed. The traditional family that old workplace policies were designed for—a breadwinning father, a breadmaking mother and two breadeating kids—is now 11 percent of the population. Two-thirds of women with children under 3 years old are working full time; 48 percent with children under a year old.[2]

[1] General Accounting Office, "Child Care: Employer Assistance for Private Sector and Federal Employees," GGD-86-38 (February 1986), p 1.

[2] Sandra Burud, Chairwoman, Summa Associates, Inc., statement submitted to the Subcommittee on Government Activities and Transportation, Hearing "Establishing Child Care Centers in Federal Buildings: GSA's Role" (May 28, 1987), appendix 1, hereinafter cited as "subcommittee hearing."

76-876

Women—like men—work primarily for economic reasons. Nearly two-thirds of the women in the paid labor force are single, widowed, separated, divorced, or married to men earning less than $10,000 a year.[3]

As is widely acknowledged, the need for quality and affordable child care to meet the needs of working parents far exceeds supply. Currently, day care centers serve 10 to 15 percent of all preschool children of working mothers, most of whom rely on in-home child care by relatives or nonrelatives.[4] But as more women have entered the labor force, that source of child care has dramatically decreased as fewer relatives, neighbors and other traditional day care providers are available.

Employer-assisted workplace child care, while not a panacea, is a potentially important source of preschool child care. For many parents, onsite child care is not a viable option as in the case, for example, of parents with a long or difficult commuting situation or an extended work schedule. For many others, however, employer-assisted, onsite child care is an attractive solution to their child care needs. Employers, meanwhile, are beginning to perceive the "bottom line" benefits of employer-sponsored child care in recognizing that without adequate child care, workers are frequently "absent, late and distracted on the job." [5]

As the Nation's largest employer, the Federal Government—no less than the private sector—needs to address the day care concerns of its employees in seeking to resolve a pressing work related problem, while realizing the resulting benefits of improved productivity, retention and recruitment. Further, were the Federal Government to play a lead role in promoting onsite child care, it would serve as a valuable model and inspiration for private business.

Congress by statute has long authorized Federal agencies to provide onsite child care for its employees. The purpose of this report is to assist Federal agencies in recognizing that opportunity and the associated obligation to provide such care pursuant to existing congressional authority.

The basic authority for the development of Federal onsite child care facilities involves primarily the General Services Administration (GSA). GSA is generally responsible for the assignment and utilization of space in federally controlled buildings which is paid for by the tenant Federal agency. The specific sources in law of that GSA authority are detailed in the Federal Property Management Regulations (41 CFR 101-17.001). Such authority enables GSA to provide space to a tenant agency for a child care center in the same way it supplies space for office work, storage, food service, etc.

To further encourage onsite day care in GSA-controlled space, Congress in December 1985 (P.L. 99-190) [6] supplemented GSA's

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[3] Sandra L. Burud, Pamela R. Aschbacher and Jacquelyn McCroskey, "Employer-Supported Child Care: Investing in Human Resources" (1984), p. 4.

[4] Ibid., p. 5.

[5] Ibid. A recent survey commissioned by Fortune Magazine similarly concluded "that problems with child care are the most significant predictors of absenteeism and unproductive time at work." Fern Schumer Chapman, "Executive Guilt: Who's Taking Care of the Children?" Fortune Magazine (February 16, 1987), p. 31.

[6] See appendix 1 and footnote 1 thereof.

then existing general authority in specifically authorizing GSA to provide space and space-related services for child care in federally controlled buildings. In addition, Congress further provided that only 50 percent of the children enrolled in such centers need be children of Federal workers.

The above congressional authorities do not put the Federal Government in the role of directly providing onsite child care. Rather, the legislation authorizes GSA—at the request and the expense of a tenant agency—to provide free space in a federally controlled building for child care. Typically that care is provided by a nonprofit organization formed for that purpose. Under that arrangement, the expenses of operating the center, staff salaries being the primary consideration, are the responsibility of the day care provider. Those operating costs are generally met through tuition charges and fundraising ventures such as bake sales and outside donations.

Existing law also allows for an alternative means to provide child care in GSA-controlled space. The Public Buildings Cooperative Use Act of 1976 (P.L. 94-541) [7] authorizes GSA to directly lease space in public buildings to non-Federal entities for various purposes. Under that authority, GSA can accept requests for space in public buildings from organizations for commercial, cultural, recreational or educational purposes (including child care). The resulting rent is to be "equivalent to the prevailing commercial rate for comparable space *devoted to a similar purpose* in the vicinity of the public building." (Italics added.) For day care, that rent would likely be below the prevailing general commercial rent since it would be based on the rent paid by other day care centers in the general area.

Despite the long standing availability of free—or discounted—rent space for child care in GSA-controlled buildings, the committee is distressed that only 10 such centers exist in the entire country. Of those 10 day care facilities, space for 9 has been provided by GSA at the behest and the expense of a requesting agency or agencies. Space for only one center—in Battle Creek, MI—has been leased directly by GSA to a day care provider. (For a list of those 10 currently operating child care centers, see appendix 2.)

In recognition of the failure of Federal agencies to respond to congressional support for onsite child care, the committee's Government Activities and Transportation Subcommittee, under the direction of Chairwoman Cardiss Collins investigated the causes of that failure. The subcommittee investigation that led to this report included a May 28, 1987, hearing [8] where testimony was received from four Federal agencies, including GSA, and a Federal employee with first-hand experience in establishing a child care center.

In brief, the subcommittee investigation revealed a wide variation of attitudes toward onsite child care by Federal agencies. Those ranged from a newly found genuine enthusiasm and support for onsite day care to a total rejection. Additionally, the subcommittee investigation pointed to the need for GSA to be more vigor-

[7] Ibid.
[8] See footnote 2 above.

ous, helpful and innovative in facilitating and promoting the establishment of federally assisted child care centers.

II. The Role of GSA

As previously noted, GSA is authorized to provide space to child care providers both directly and indirectly. Under the direct approach GSA is authorized to rent space for child care in public buildings to any non-Federal entity such as community, church, employee or union groups. Alternatively, the indirect approach involves the renting of space by GSA for child care at the request of a sponsoring Federal agency for the principal use of Federal workers.

Under both approaches, GSA has traditionally viewed its role in a narrow, rather passive fashion, similar to more mundane matters, such as providing garage or parking space.

Within the past year or so, however, GSA has begun to take a more active role in seeking to serve as a catalyst for the promotion and development of onsite child care. That new attitude is part of GSA's recognition of the need to provide Federal workers with more than just the traditional desk and chair in creating a workplace conducive to employee morale and productivity.[9] Accordingly, GSA Administrator Terence C. Golden, at the subcommittee's urging, recently revised a January 1986 GSA policy guidance memorandum to indicate the willingness of GSA to rent new, additional space to accommodate the day care needs of a requesting agency.[10] Prior to that May 1987 policy pronouncement, it was GSA policy *not* to rent additional space for child care but to require agencies to locate such facilities within their existing space inventory.[11]

In keeping with that previous policy, which escaped the Administrator's attention, Federal workers in the Celebrezze Federal Building in Cleveland, for example, were informally advised by GSA that an agency request for day care space would not be honored until space within that or a nearby building became available. Under its new policy, however, GSA has pledged to accommodate day care needs through the renting of such additional space as may be required.

The previous GSA policy of requiring child care facilities to be housed in currently owned or leased Federal space is reflective of Administrator Golden's failure to fully impress upon GSA officials (including some of his highest subordinates) the agency's new-found commitment to child care as articulated in its 1985 "Quality Work Place" initiative.

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[9] GSA's "Quality Workplace" initiative launched in 1985 is dedicated to providing Federal workers with buildings that (a) are modern and first class, (b) provide a healthy and secure working environment, (c) contain art and other aesthetic effects, and (d) offer physicial fitness and day care facilities where appropriate. Testimony of Terence C. Golden, Administrator, GSA, subcommittee hearing, p. 6.

[10] Memorandum from Thomas M. Sherman, GSA Public Buildings Service, to Regional Administrators, "Day Care Centers" (May 6, 1987).

[11] "[S]pace may be assigned to a day care center if it is available; the inventory of leased space should not be increased in order to accommodate a day care facility." Memorandum from William F. Sullivan, GSA Commissioner, Public Buildings Service, to Regional Administrators, "Child Day Care Centers" (January 21, 1986).

Further evidence of that failure was detailed by Jessie Marshall in her testimony before the subcommittee. Ms. Marshall is an employee of the U.S. Patent and Trademark Office in Crystal City, Arlington, VA, and a cofounder of a parentally organized and sponsored child care center. Asked by Chairwoman Collins to recount her group's dealings with GSA, as part of an unsuccessful effort to receive Federal rent assistance, Ms. Marshall called that experience "limited and very unproductive." Her testimony is excerpted here to demonstrate GSA's failure to honor its commitment to day care on the working level and to illustrate the problems that parent groups have faced in trying to get even the barest assistance in putting together a day care center:

> We didn't know who to ask, who to talk to, or what to ask them [GSA] when we finally got to talk to them.
>
> We dealt with the regional office because we didn't realize that there was any kind of national mandate by GSA to facilitate day care programs. . . .
>
> At that time we were advised to find an agency sponsor and were given a list of Crystal City area landlords and rental agents that we should contact to see if there was any space available. GSA's response to our inquiry directly to them as to whether there was Government space available, said absolutely not. If there is any space that becomes available it is needed and it will be filled by the agencies themselves. . . .
>
> There was no followup on our inquiries. Here, too, we had to give it up as a dead end because we got no positive response. GSA knew full well about our project, and . . . They still made no attempt to contact us, made no attempt to help.
>
> As we did talk to our Assistant Commissioner for Administration in the Patent and Trademark Office, she, too, gave no indication that there had been any contact by GSA as far as seminars held with upper level management to encourage their involvement in establishment of day care centers in the Federal Government.[12]

Reference by Ms. Marshall to her group not knowing to whom or where to go to within the Federal Government for assistance in forming a day care center is all too typical. Since its hearing in May, the subcommittee has received telephone calls from Federal workers throughout the country wanting to know how to go about establishing an onsite child care center. At present, absent a central clearinghouse for day care information, workers are forced to hunt for information on their own, with no specific office within GSA or the rest of the Federal Government assigned to assist them. Accordingly, Ms. Marshall in speaking on behalf of other similarly situated parents, advised the subcommittee of the urgent need for support in obtaining access to information to facilitate the starting up of a day care center.[13]

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[12] Subcommittee hearing, pp. 48–49.
[13] Ibid., p. 29.

III. Agency Attitudes

Although the role of GSA is crucial in terms of providing space for day care, GSA cannot compel an agency to sponsor and pay for the space required to house a day care facility.

Apart from GSA's passivity, the lackluster performance of the Federal Government in currently maintaining only 10 onsite day care centers is attributable to the wholesale indifference (and in some cases outright opposition) of most Federal agencies to onsite child care.

In that regard, the experience of Jessie Marshall of the U.S. Patent Office in suburban Washington, DC, is again relevant. A number of agencies comprise the Federal work force in Crystal City. They include, besides the Patent Office, the U.S. Navy, the Environmental Protection Agency, and GSA. According to Ms. Marshall, her group, having been advised by GSA of the need to find a sponsoring agency or agencies to provide the rent money as authorized by Congress, received short shrift from the agencies involved. Even that, moreover, was only after her group was forced "to educate the upper level management in the agencies on the legality of the financial contributions that they could make." [14]

According to Ms. Marshall:

> Inquiry to the Office of General Services of the Patent and Trademark Office resulted in a response that there was no space available for such an operation. Inquiry to the Office of the Assistant Commissioner of Administrator of the Patent and Trademark Office resulted in a response that there was no provision for establishing such a facility in the plans or budget of the Patent Trademark Office.[15]

Efforts to get the Navy to agree to contribute to the rent payments in proportion to the number of Navy employees who would use the center were similarly unsuccessful. Again, according to Ms. Marshall:

> Navy was on the brink of making a substantial contribution to the project but it was negated by a decision by an auditor, and it was never pursued any further by Navy. It was not a management decision by Navy to not contribute the money. They were entirely in support and were pushing for the project until an auditor in reviewing all the paperwork we had put before them decided that this was not an appropriate allocation for Navy to make.[16]

Unable to get a Federal agency to provide rent payments for its planned child care center, Ms. Marshall's group was ultimately forced to locate and rent space entirely at its own expense in a nearby building. According to Ms. Marshall's calculations, the inability to obtain agency rent assistance increased the tuition for each child by $800 per year. That in turn, according to Ms. Mar-

[14] Ibid., p. 22.
[15] Ibid., pp. 24-25.
[16] Ibid., p. 22.

shall, priced the cost of the center beyond the reach of many lower-income employees.[17]

Ms. Marshall's group's experience in failing to get agency sponsorship for an onsite day care center is not unique. The Social Security Administration, which employs 75,000 workers at 1,300 facilities, has made no secret of its opposition to onsite day care. That attitude is somewhat ironic given Social Security Administrator Dorcas R. Hardy's efforts from 1981 to 1986, while an Assistant Secretary for Human Development Services, to interest business and community leaders in encouraging employer-supported child care.[18]

Social Security's opposition to onsite child care has long been a matter of concern to Social Security employees, particularly in Chicago. In 1982, Social Security and the American Federation of Government Employees negotiated a national collective bargaining agreement. That agreement was subsequently renewed for a three-year term and will expire in June 1988.

Article 20 of that agreement, entitled "Child Care," committed both parties to the preparation of a "comprehensive, written feasibility study for a model child care center." In October 1983 the Social Security office on West Madison Street in Chicago was designated as the principal site for the feasibility study.[19] Most of the 2,000 West Madison Street employees are female with an annual salary from $13,000 to $28,000.

The following year, the feasibility study in the form of a three-page questionnaire was distributed to all Chicago area Social Security employees. The survey results showed that 317 workers were interested in enrolling one or more children in an onsite day care center. Those employees who answered "yes" to the question: "If child care were available in or near downtown Chicago, would you make use of it?" represented 66 percent of the respondents with children under 5 years of age. Two-thirds of those workers had a gross family income of less than $20,000 per year with an especially acute need for affordable, dependable child care.

That strong interest in establishing an onsite child care facility notwithstanding, Social Security officials interpreted the survey as "indicating no real outpouring of interest in child care." That bad faith interpretation was based on the curious notion that the 317 interested employees represented only 8 percent of all Chicago area Social Security employees. The total work force, however, included workers who were without children or who had school-age or grown children. Understandably, they would have no direct interest in onsite child care. Having misinterpreted the survey results as meaning "it would be difficult to see a ground swell of employee interest in agency-sponsored child care," and given "the current emphasis on Federal retrenchment," Chicago Social Security officials proposed a "day care referral service" as an alternative to onsite child care.[20] But as was noted by a local union official, a re-

[17] Ibid., p. 49.
[18] Testimony of James Kissko, Executive Officer, Office of the Commissioner, Social Security Administration, U.S. Department of Health and Human Services, ibid., p. 34.
[19] Ibid., p. 43.
[20] Social Security Administration, "Child Care Feasibility Study: A Progress Report" (February 26, 1985).

ferral system should already have been in operation under terms of the collective bargaining agreement, which in addition to the mandated feasibility study, committed Social Security to provide its employees, nationwide, "with listings of qualified, licensed day care centers in the immediate area." [21]

That approach was formally announced a year and one-half later at the subcommittee's May 1987 hearing. As a consequence, Social Security employees throughout the country will be provided by request with information concerning licensed child care centers in their area by the end of 1987.

Implicit in that approach, however, is the notion that a sufficient number of affordable day care centers exist throughout the country and that the crisis in child care is not one of supply, but results rather from the presumed inability of parents to locate underutilized, quality day care centers in their neighborhoods.[22] Because of their agency's opposition to onsite child care, Social Security employees for the foreseeable future, will have to rely on their employer's "bulletin board" approach to child care to the likely detriment of employee morale and productivity.

Social Security's opposition to onsite child care, while not unique among Federal agencies, is not totally representative of agency attitudes toward child care. The Internal Revenue Service, the Department of Transportation, and the National Oceanic and Atmospheric Administration are cases in counterpoint. In 1984, for example, IRS completed a strategic plan to govern its administration of the Nation's tax laws through the 1990's and into the next century. Included in that blueprint was a planned initiative for enhancing the recruitment and retention of employees and the role of day care in that regard. Inclusion of child care in the agency's planning document followed a finding that:

> By 1990, projected community and private child care facilities would be unable to handle the demand for child care.
>
> The percentage of mothers who work is large and will continue to grow. In March 1982, half of all mothers with children under 6 years old were working; by 1990, two out of every three mothers will probably be working.
>
> The number of single, working parents is increasing.
>
> There continues to be a large number of families in which both parents work.
>
> Onsite child care reduces tardiness, absenteeism and stress, commonly seen in working parents.[23]

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[21] Memorandum from Eloise Dillion, President, AFGE Local 1395, to Rose Mosley, Social Security Administration, April 21, 1987.

[22] "[C]hild care is generally available across the country but it may not be easy for parents to find the type of care they want." Testimony of James Kissko, subcommittee hearing, p. 45.

[23] Prepared testimony of Orion L. Birdsall, Deputy Assistant Commissioner, Internal Revenue Service, subcommittee hearing, pp. 65–66. According to IRS, of firms surveyed in 1982 by the National Employer-Supported Child Care Project, 53 percent reported lower absentee rates, resulting in substantial dollar savings. Similarly, that survey of 415 companies with child care services determined that 49 percent of those companies reported that child care services enhanced productivity and overall efficiency. Ibid., pp. 67–68.

In recognition, therefore, of the benefits of onsite child care to both the agency [24] and its employees, IRS distributed a questionnaire to its employees in January 1986 to determine their need for and interest in onsite day care. Some 15,000 questionnaires were distributed at 12 randomly selected offices. The survey results suggested a potential 41,000 IRS employees with an interest in workplace child care.[25]

Because of that showing of need and interest on the part of its employees, IRS proceeded to organize onsite day care centers in three of its district offices in Houston, TX; Laguna Niguel, CA; Hartford, CT; and a major data processing center in Andover, MA. The planned center in Houston is scheduled to open in the fall of 1987; the centers in Laguna Niguel and Hartford are slated to begin operation in January 1988.

Meanwhile, the center in Andover, MA, with room for 70 children, opened in February 1987 with 24 infants, toddlers and preschoolers. By July 1987, enrollment had increased to 49 children with full enrollment expected by January 1988. Those 49 children come from 28 two-parent and 14 single-parent families. According to the director, the Andover center has always had a waiting list; and the delay in reaching full enrollment has been due to a shortage of personnel to staff the center and not to a lack of parental interest.

The Andover center is located in space paid for and maintained by IRS. The center is a private organization run by a director, and as such, is not part of IRS per se. The fees collected from parents are used to cover the center's operating costs and to render it self-supporting. Those fees (depending on a child's age) are from $60 to $90 per week.[26] Salaries of the director and staff range from $14,000 to $24,000 annually. The center has six full-time and three part-time staff members and operates daily from 6:30 a.m. to 6:30 p.m.

The IRS Andover data processing center is in many ways similar to the Social Security Administration facility on West Madison Street, Chicago. As in Chicago, the overwhelming percentage of employees at the IRS Andover operation are relatively low-paid female clerical workers, many of whom are single parents. Accordingly, the Andover day care center takes on added significance in demonstrating the ability of such centers to serve lower-income parents for whom affordable day care is often a prerequisite for their being able to enter or remain in the paid work force.

IRS, to its credit, in recognizing that many of its Andover workers would find it extremely difficult, if not impossible, to afford the $60 to $90 per week tuition charge, has been instrumental in arranging for outside financial assistance from Federal, State, and private sources. As a result, 15 of the 42 families with children enrolled at the Andover child care center receive from $100 to $250

[24] According to Mr. Birdsall, apart from expected increases in productivity, IRS' "business decision" to promote onsite child care was based on the realization: "[T]hat if we were going to be out front as an employer, this is the kind of service that people coming out of the universities now expect. They were attracted to that kind of employer." Ibid., p. 82.

[25] Prepared testimony of Deputy Assistant Commissioner Birdsall, subcommittee hearing, p. 71.

[26] Tuition for a second child is one-half the regular rate. There is no charge for a third child.

per month in direct outside financial tuition assistance over and above the Federal child care tax credit.[27]

Despite the limited availability of such financial aid for child care, the affordability of onsite child care must be addressed by the sponsoring agency to prevent such centers from serving primarily upper-income families. According to GSA, current day care fees in federally related child care centers range from a low of $50 per child, per week, at the Department of Education Center in Washington, DC, to a high of $151 for children from 3 to 16 months of age at the Boston Federal Building.[28] Therefore, besides helping to arrange for outside financial support for low income workers, a Federal agency sponsoring an onsite day care center may have to require that tuition be based on family income.[29]

As with IRS, the National Oceanic and Atmospheric Administration (NOAA) has approached child care in an innovative and enthusiastic manner. NOAA is in the process of consolidating its 4,700 employees currently located in 18 different facilities throughout the Washington, DC, area into a single complex in Silver Spring, MD. Recognizing that there "is no doubt that the need among working parents for quality, affordable day care of their dependents is one that continues to grow," NOAA in planning its new complex has reserved space for day care in its new facility.

In keeping with that management initiative, NOAA has compiled a handbook for its employees, "Planning for Dependent Day Care." Its availability should enable NOAA employees to proceed with the organization of a day care center without having to search for information from various sources within the Federal Government, which generally has been the experience of parents who have worked to establish such centers in other Federal buildings.

Included in the handbook are sections on the following topics, many of which involve fairly complex financial or legal considerations:

> Feasibility study; startup costs; potential funding sources for startup costs; establishing a nonprofit corporation; local licensing requirements; tax exemption; GSA guidelines; identification of space; board of directors; program administration; operating expenses; and insurance.

The Department of Transportation (DOT) has also endorsed and supported onsite child care. With encouragement from Secretary Elizabeth Dole, DOT employees in Washington, DC, formed a task force to explore initial funding and licensing requirements. That effort was followed by the establishment of a private nonprofit corporation that sponsored fundraising events that raised $10,000 for startup costs, such as insurance, salaries and supplies. Working with GSA, DOT then donated space for the day care center from existing leased space and spent approximately $80,000 to prepare

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[27] The availability of Federal and State funds for low and middle income workers to help defray the cost of child care varies significantly from State to State. For a review of those programs see Congressional Research Service, "The Federal Role in Child Day Care" (February 1987).

[28] Appendix 2.

[29] In New York, for example; "A sliding fee scale based on gross family income is required in order to allow families at all income levels to utilize the [State's onsite day care] program." Statement submitted for the subcommittee hearing by Molly B. Hardy, Executive Director, Empire State Day Care Services, Inc., appendix 4.

that space for use as a day care center. Additionally, DOT working through the Department of the Interior's "Adopt-a-Park Program," secured and fenced a park across the street from the day care center and installed playground equipment.

With the exception of the space which is being paid for by DOT, its child care center has been self-sustaining since it opened in September 1985 with 12 children. Now the center has grown to one with 57 children. Appropriately, the center provides more than mere babysitting or custodial care in seeking also to develop learning and social skills. Of parents with children at the DOT center, approximately one-third are employed by DOT, one-third are employed at other Federal agencies and one-third work in the private sector. If space necessitates a waiting list for a certain age group, DOT employees receive preference.

The current annual operating budget for the DOT center is approximately $200,000, most of which is raised through a $70 per week tuition charge. Additional financial support is obtained through private fundraising and from the Combined Federal Campaign.[30]

The initiative displayed by NOAA, IRS, and DOT in promoting onsite child care stands in sharp contrast with that of numerous other agencies whose attitude has ranged from a grudging acceptance of the concept to outright opposition, as in the case of Social Security. Although it is possible for Federal workers to establish an onsite day care center totally on their own initiative, experience indicates that success is generally dependent on the willingness of an agency to promote or encourage such initiatives.

IV. Findings and Recommendations

Congress by means of two distinct statutory approaches has specifically authorized the use of federally controlled office space for child care. In so doing, Congress has recognized the benefits of onsite child care to both the Government and its employees. Accordingly, the committee is distressed that so few agencies have availed themselves of that opportunity. The record of the Federal Government, as the Nation's largest employer, in currently maintaining only 10 such centers reflects an overall attitude of indifference and antipathy toward the child care needs of Federal workers.

Fortunately, there are signs that such attitudes may be changing. Those include a recently announced commitment by GSA toward onsite child care and a recognition by an increasing number of agencies concerning the feasibility and "bottom line" benefits of onsite child care. Notwithstanding, the committee believes that more can and should be done to address the child care needs of Federal workers, an effort which the committee believes can serve as an example and inspiration to the private sector as well.

In seeking to further accelerate the development and availability of onsite child care facilities for Federal workers, the committee regards GSA as a key to that endeavor and is looking to Administra-

[30] Letter from Jon H. Seymour, Assistant Secretary for Administration, DOT, to Chairwoman Cardiss Collins (July 15, 1987).

tor Golden to make good on his pledge to the subcommittee for GSA to serve as a "catalyst" in that process.

For GSA to function effectively in that regard however, it will first be necessary for the agency to eliminate the considerable confusion and misinformation regarding GSA child care policy that exist throughout the agency and the conspicuous lack of an effective focal point within GSA concerning child care.

Having dealt with that internal leadership void, GSA should then be in a better position to facilitate the establishment of much needed, additional onsite day care. In the committee's view, GSA should use both of the basic statutory authorities and approaches available to it for that purpose. For instance, GSA should exercise its authority pursuant to the Public Buildings Cooperative Use Act to rent space unilaterally in public buildings to union, parent, community, church and other groups for the purpose of providing child care for Federal and non-Federal workers.

To note that GSA has rented space to only one such group for that purpose, the American Federation of Government Employees in Battle Creek, MI, is but to note GSA's failure to exercise that particular option on behalf of onsite day care. Although a day care provider under that option is charged for the space, the rent in many cases should be relatively modest. That is because in offering space for day care, GSA is to charge a rent only equivalent to that which could be obtained in the vicinity "for a similar purpose," as opposed to the usual business or professional rate. In Battle Creek, for example, the resulting $2,700 annual rent [31] for 2,100 square feet in that city's Federal building translates to only between $6 and $7 per month for each of the 35 children enrolled in the center.

The ability of GSA to rent space at a discount in public buildings for child care can partially compensate for the opposition of certain agencies—Social Security being a prime example—to onsite child care. With most agencies, however, that have not become involved in child care, the problem generally is not direct opposition to onsite child care, as in the case of Social Security. The difficulty stems rather from indifference and/or the problems involved in having to coordinate their day care efforts with other agencies that share the same or nearby federally occupied buildings. In cases where the local Federal work force is drawn from a number of agencies, it is imperative for the various agencies to work together in agreeing to share the rent costs and in requesting space for child care from GSA.

In such situations, GSA, to repeat Administrator Golden's term, can serve as an important "catalyst." Thus, GSA could effectively help fill the day care leadership void within the Federal Government by first working to determine the day care needs of Federal workers within a given geographic area. After a determination as to the need for and feasibility of an onsite day care center within a particular area, GSA could follow up by presenting to the relevant Federal agencies a suggested day care site for their joint sponsor-

[31] Plus a $300 annual escalation during the 5-year lease.

ship. In that manner, GSA could fulfill its commitment to child care in overcoming agency passivity and lack of accountability.

Specifically, therefore, as based on the record compiled by its Subcommittee on Government Activities and Transportation under the direction of Chairwoman Collins, the committee offers the following findings and recommendations:

FINDINGS

1. As the Nation's largest employer, the Federal Government, in recognition of the pressing need for child care, should assist Federal workers in meeting that work related need.

2. The success of the Federal Government in addressing the child care needs of its employees would serve as a useful model and inspiration for private business.

3. In recognition of the shortage of affordable, quality day care available to Federal workers, Congress has adopted various measures to authorize and to encourge Federal agencies to promote onsite child care.

4. Federal agencies have long failed to adequately exercise their opportunity and responsibility to assist in the development of onsite child care.

5. At present, only 10 child care centers operate in GSA controlled buildings.

6. A number of Federal agencies, IRS being a prime example, are moving with commendable speed and dispatch to provide onsite child care. Other agencies, Social Security being conspicuous in that regard, are to be faulted for their adamant opposition to onsite child care.

7. At present, there is no effective leadership within the Federal Government to provide for the day care needs of some three million civilian Federal workers. Within GSA there continues to be a similar lack of effectiveness and organization concerning child care.

RECOMMENDATIONS

In accordance with GSA's assigned role to provide work-related space for other Federal agencies, the committee calls upon GSA to help promote the further development of onsite child care for Federal workers through adoption of the following measures:

1. Assign to a high level GSA official in Washington, DC, specific responsibility for onsite day care, with authority to communicate directly and implement the agency's day care policy initiatives at the GSA regional and local levels.

2. Assign within each of GSA's 10 regions an official with overall responsibility for day care and with the specific responsibility to work with other Federal agencies at the regional level in promoting onsite child care. At the regional level GSA should develop an in-house expertise concerning the organization of onsite day care for the benefit of interested parties.

3. Recognize and meet its statutory responsibility to rent space in public buildings for child care similar to its current lease arrangement with the American Federation of Government Employees in Battle Creek, MI. To further that objective, GSA should endeavor

to offer to rent appropriate space in at least one public building in each of its 10 regions within the next year for child care.

4. Work with Federal agencies throughout the country to survey Federal workers concerning their interest in and need for onsite child care.

5. Where the survey results demonstrate sufficient need and interest in onsite child care, GSA should present the survey findings to the agencies involved in recommending establishment of specific child care centers to be sponsored by the various agencies.

6. In determining the feasibility of particular day care centers, full weight should be given to the determination by Congress that such centers may be open (up to 50 percent) to children of non-Federal workers, subject, however, to a priority for Federal workers. Such outside participation should be especially encouraged when necessary to assure the financial viability of a particular center.

7. GSA with the assistance of other appropriate agencies should prepare and distribute to interested parties a handbook to assist in the establishment of onsite day care.

APPENDIXES

APPENDIX 1.—STATUTORY AUTHORITIES FOR CHILD CARE IN FEDERAL BUILDINGS

CHILD CARE CENTERS

Pub. L. 99-591, § 101(m) [Ti. VI, § 616], Oct. 30, 1986; 100 Stat. 3341-331; 40 U.S.C. 490b [32]

SEC. 616. (a) If any individual or entity which provides or proposes to provide child care services for Federal employees applies to the officer or agency of the United States charged with the allotment of space in the Federal buildings in the community or district in which such individual or entity provides or proposes to provide such service, such officer or agency may allot space in such a building to such individual or entity if—

(1) such space is available;

(2) such officer or agency determines that such space will be used to provide child care services to a group of individuals of whom at least 50 percent are Federal employees; and

(3) such officer or agency determines that such individual or entity will give priority for available child care services in such space to Federal employees.

(b)(1) If an officer or agency allots space to an individual or entity under subsection (a), such space may be provided to such individual or entity without charge for rent or services.

(2) If there is an agreement for the payment of costs associated with the provision of space allotted under subsection (a) or services provided in connection with such space, nothing in title 31, United States Code, or any other provision of law, shall be construed to prohibit or restrict payment by reimbursement to the miscellaneous receipts or other appropriate account of the Treasury.

(3) For the purpose of this section, the term "services" includes the providing of lighting, heating, cooling, electricity, office furniture, office machines and equipment, telephone service (including installation of lines and equipment and other expenses associated with telephone service), and security systems (including installation and other expenses associated with security systems).

[32] A similar provision was contained in section 139 of P.L. 99-190, the Continuing Appropriations Act signed December 19, 1985.

PUBLIC BUILDINGS COOPERATIVE USE ACT OF 1976

Pub. L. 94-541, Oct. 18, 1976, 90 Stat. 2505, 40 U.S.C. 601a, 612a

TITLE I

SEC. 101. This title may be cited as the "Public Buildings Cooperative Use Act of 1976".

SEC. 102. (a) In order to carry out his duties under this title and under any other authority with respect to constructing, operating, maintaining, altering, and otherwise managing or acquiring space necessary for the accommodation of Federal agencies and to accomplish the purposes of this title, the Administrator shall—

(1) acquire and utilize space in suitable buildings of historic, architectural, or cultural significance, unless use of such space would not prove feasible and prudent compared with available alternatives;

(2) encourage the location of commercial, cultural, educational, and recreational facilities and activities within public buildings;

(3) provide and maintain space, facilities, and activities, to the extent practicable, which encourage public access to and stimulate public pedestrian traffic around, into, and through public buildings, permitting cooperative improvements to and uses of the area between the building and the street, so that such activities complement and supplement commercial, cultural, educational, and recreational resources in the neighborhood of public buildings; and

(4) encourage the public use of public buildings for cultural, educational, and recreational activities.

(b) In carrying out his duties under subsection (a) of this section, the Administrator shall consult with Governors, areawide agencies established pursuant to title II of the Demonstration Cities and Metropolitan Development Act of 1966 and title IV of the Intergovernmental Cooperation Act of 1968, and chief executive officers of those units of general local government in each area served by an existing or proposed public building, and shall solicit the comments of such other community leaders and members of the general public as he deems appropriate.

SEC. 103. [Amends sections 7 and 12 of the Public Buildings Act of 1959. See above.]

SEC. 104. [Amends section 210(a) and 210(e) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490 (a) and (e)). See Chapter I.]

SEC. 105. As used in this title and in the amendments made by this title—

(1) The term "Administrator" means the Administrator of General Services.

(2) The terms "public building" and "Federal agency" have the same meaning as is given them in the Public Buildings Act of 1959.

(3) The term "unit of general local government" means any city, county, town, parish, village, or other general purpose political subdivision of a State.

(4) The term "historical, architectural, or cultural significance" includes, but is not limited to, buildings listed or eligible to be

listed on the National Register established under section 101 of the Act of October 15, 1966 (16 U.S.C. 470a).

(5) The term "commercial activities" includes, but is not limited to, the operations of restaurants, food stores, craft stores, dry goods stores, financial institutions, and display facilities.

(6) The term "cultural activities" includes, but is not limited to, film, dramatic, dance, and musical presentations, and fine art exhibits, whether or not such activities are intended to make a profit.

(7) The term "educational activities" includes, but is not limited to, the operations of libraries, schools, day care centers, laboratories, and lecture and demonstration facilities.

(8) The term "recreational activities" includes, but is not limited to, the operations of gymnasiums and related facilities.

APPENDIX 2.—DAY CARE CENTERS PRESENTLY HOUSED IN GSA SPACE

Location and sponsoring agencies	Number of children	Age grouping	Weekly rates
Kennedy Federal Building, Boston, MA:			
Department of Labor	50	3 months to 16 months	$151
Department of Health and Human Services		17 months to 2 years 9 months	136
Department of Housing and Urban Development		2 years 9 months to 5 years	100
IRS Center, Andover, MA: Internal Revenue Service	30	3 months to 16 months	90
		17 months to 2 years	80
		Over 2 years–5 years	60
Federal Building, Philadelphia, PA	[1] 29	Under 3 years	55
	[2] 18	Over 3 years	57
Battle Creek Federal Center, Battle Creek, MI	35	Under 2 years	65
		Over 2 years	55
Washington, DC:			
Department of Housing and Urban Development	60	2 years	65
		3 to 5 years	63
Department of Education	40	2 to 5 years	50
Department of Health and Human Services	50	18 months to 2 years	95
		Over 2 years	85
Department of Labor	85	18 months to 2 years 6 months	70
		2 years 6 months to 6 years	55
Department of Transportation	71	2 years to 6 years	70
General Services Administration	13	3 months to 18 months	87–115
	14	18 months to 2 years	
	14	2 years to 5 years	

[1] Preschool.
[2] Drop-in after school.

Source: General Services Administration, Office of Real Property Development, July 20, 1987.